GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA

UNSTARRED QUESTION NO:2518
ANSWERED ON:16.08.2004
DIFFERENCE IN MINIMUM WAGES
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Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) whether there is a major difference in the minimum wages in different areas of the country;

(b) if so, the details thereof and the reasons for the said difference;

(c) the steps taken by the Government to remove such difference; and

(d) the extent of success achieved by the Government in this regard?

Answer

MINISTER OF LABOUR AND EMPLOYMENT (SHRI SIS RAM OLA)

(a) & (b):The disparity in rates of minimum wages in different areas of the country in due to differences in socio-economic and agro-climatic conditions, prices of essential commodities, paying capacity, productivity and local conditions influencing the wage rate. Taking these factors in to account, the state governments as the appropriate governments, fix minimum wages in scheduled employments in their respective jurisdictions under the Minimum Wages Act, 1948, differently.

(c) & (d):In order to minimize the disparity in minimum wages in various regions of the country, the Central Government has issued guidelines for setting up Regional Minimum Wages Advisory Committees. These committees have made a number of recommendations including consultation with neighbouring States while fixing and revising minimum wages.

In order to bring uniformity in minimum wages, the Central Government has mooted the concept of a national floor level minimum wage and fixed it. Though not mandatory, the appropriate Governments are persuaded to ensure that the minimum wage in their scheduled employments is not fixed below the national floor level minimum wage.